Approved For Release 2005/06/02 : CIA-RDP77M00144R001100180036-5

Committee Action:

STATE DEPT. AUTHORIZATION

The Senate Foreign Relations Committee July 29 reported a bill (S 1517) authorizing \$1.2-billion for fiscal 1976 operations and programs of the State Department, United States Information Agency, the Board for International Broadcasting and the Arms Control and Disarmament Agency. The total was \$48.6-million less than requested by the administration.

The bill also would authorize the creation of a \$25million emergency refugee assistance fund, strengthen the role of the arms control agency in governmental decisions, establish a Foreign Service grievance system and express Congress' desire for negotiations to limit the Soviet presence in the Indian Ocean.

The committee reported S 1517 by voice vote July 29 (S

Rept 94-337).

As reported, the bill authorized \$1,201,485,000 for the affected departments and agencies. The bill also authorized additional amounts necessary for mandatory salary and employee benefit increases.

State Department

S 1517 made the following authorizations for the State Department:

Operations. The committee approved \$435,755,000, which was \$3.1-million less than requested, for State Department operations, including salaries, expenses and allowances. The reduction reflected savings due to the U.S. withdrawal from Indochina, the committee said in its

report.

The committee also made a permanent general authorization for reimbursement of expenses connected with official duties of the U.S. representative to the Organization of American States (OAS), including household operations, entertainment and maintenance. The provision would apply to the private home in Washington of the U.S. ambassador since no official residence is maintained. Other U.S. personnel with ambassadorial rank who have no official residence are given similar assistance.

International Organizations. For U.S. contributions to international organizations and conferences, including the United Nations and its associated agencies, the committee approved \$250,228,000. The reduction of \$42,011,000 was due to the committee's elimination of all funds proposed for the U.N. Educational, Scientific and Cultural Organization (UNESCO), for which the administration had requested \$22.2-million for fiscal 1976. Under the fiscal 1975 foreign aid law (PL 93-559), contributions to UNESCO were prohibited until the President certified to Congress. that the organization had taken steps to reverse its political actions, a reference to UNESCO's passage in 1974 of Arabsponsored resolutions denouncing Israel and removing it from membership in the working group.

The committee also deleted the authorization for the U.S. contribution to the UN supervisory body in Vietnam.

International Commissions. For international commissions dealing principally with U.S. relations with Mexico and Canada and with international fishing issues the committee approved \$19,993,000, the amount requested.

Exchange Activities. For international education and exchange activities the bill authorized \$74-million, which was \$15-million less than requested. The reduction was due

to Senate passage of a bill (S 824) on June 13 authorizing use of \$15-million in Japanese currency available in U.S. accounts in Japan.

Arms Control

For the Arms Control and Disarmament Agency (ACDA) the bill authorized \$12,130,000, which was \$1.44million more than requested. The additional funds were to be used for two studies, the committee said; one would examine the impact on military expenditures of U.S.-Soviet arms control agreements and the other would support research on the development of nuclear safeguards.

The committee also reported a "comprehensive" ACDA amendment sponsored by Hubert H. Humphrey (D Minn.) to change the agency's basic legislation, the Arms Control and Disarmament Act (PL 87-297). The amendment would revise ACDA's legal mandate from being "able" to perform certain arms control functions to having the "authority, under the direction of the President and the Secretary of State" to perform those functions. It also would make the agency director an adviser to the National Security Council, require his involvement in all government decisions on arms export licenses and military grants and sales, and provide for the agency's advance analysis of government actions that might affect arms control and disarmament policy and negotiations. (House action on ACDA, Weekly Řeport p. 1555; State Department, p. 1376)

USIA

For the United States Information Agency (USIA), the committee authorized \$263,879,000, the amount requested.

Broadcasting Board

For the Board for International Broadcasting, which makes operating grants to Radio Free Europe and Radio Liberty, the committee recommended \$65,640,000, the amount requested. It observed that sum was considerably higher than the fiscal 1975 appropriation of \$49.8-million and said this was due to changes in pension legislation and to personnel reductions and management consolidation that eventually would produce savings in operating costs.

The board's authorization also was included in another bill (S 2230), which contained provisions partially lifting the embargo on arms shipments and sales to Turkey. The two were combined into one bill for parliamentary reasons to permit House reconsideration of the Turkish aid issue. The Senate passed S 2230 on July 31 by a vote of 47-46.

(Vote 373, p. 1800)

The House recessed for August without taking a vote, however, leaving S 2230 pending. A Foreign Relations Committee aide said future Senate action on the board's authorization would depend upon House action on S 2230. If S 2230 were cleared, then the authorization contained in S 1517 would be deleted on the Senate floor; if it were rejected, the board's authorization would remain in S 1517. (Action on S 2230, p. 1750)

Refugees

For general assistance to migrants and refugees, the committee recommended \$10.1-million, the amount requested by the administration. This assistance is provided mainly through multilateral organizations and the International Committee of the Red Cross. The panel also recommended another \$20-million for assistance to refugees from the Soviet Union and Communist countries of Eastern Europe, but specified that no more than 20 per cent of the funds appropriated could be used to settle refugees in countries other than Israel.

Approved For Release 2005/06/02: CIA-RDP77M00144R001100180036-5

Approved For Release 2005/06/02: CIA-RDP77M00144R00160018003695National Security - 13

The committee authorized the establishment of a standing Emergency Refugee and Migration Assistance Fund, to meet needs as determined by the President with appropriations up to \$25-million. Under existing law, the President is authorized to transfer up to \$10-million in foreign aid funds for such emergency assistance; the administration had requested that amount be increased to \$25-million. The committee said the standing fund was an alternative to the transfer authority. Congressional oversight would be retrospective, with justifications for the use of funds being sent to the House and Senate Appropriations Committees, the Foreign Relations Committee and the Speaker of the House.

Personnel

S 1517 would require the secretary of state to establish regulations incorporating the merit principle in the employment procedures for Foreign Service Reserve officers. It also would require the State Department to prepare a comprehensive plan for simplifying the State-USIA personnel system. It also would establish a Foreign Service grievance system based upon a three-member grievance board; authorize a pre-departure housing allowance for Foreign Service officers; authorize State Department security officers to carry firearms; and change the program in which Foreign Service officers work for public organizations, by requiring such service of all officers before their 15th year of employment.

Other Provisions

(0

S 1517 would authorize \$25-million for a U.S. contribution to the endowment fund of the United Nations Univer-

The bill as reported also expressed the sense of Congress that:

• The U.S. consulate in Gothenburg, Sweden, closed in 1970, be reopened, and authorized the funds necessary to do so. Swedish-American relations were strained that year because of opposition to U.S. policies in Vietnam.

 U.S. ambassadors be selected on the basis of merit rather than political activities or contributions.

• A U.S. agricultural attache be stationed in the People's Republic of China.

 The President begin negotiations with the Soviet Union to reach an agreement limiting Soviet military forces in the Indian Ocean and nearby countries. The President was to report to Congress by July 1, 1976, on steps he had taken to begin talks.

-By Judy Gardner

Bill Reported:

ECONOMIC AID

The House International Relations Committee Aug. 1 reported a bill (HR 9005) authorizing \$2.9-billion for foreign economic and development assistance in fiscal 1976 and 1977.

It was the first time the House committee had separated development aid from military and security supporting assistance. The Senate Foreign Relations Committee had taken that approach in 1973, but the final conference version contained both portions. (1973 Almanac p.

In that conference, however, House members agreed

they no longer would insist on one bill, explained a House committee aide.

With military aid being questioned increasingly, with the present composition of the House and with the development program targeted at helping the poorest nations, committee members felt the development portion could stand on its own merits on the floor this year, the aide said.

Also, he said, action was likely to be delayed on the military and security supporting portions because no requests had been received from the administration and because members intended to look closely at the military aid program.

President Ford had submitted specific requests on May 19 only for the development and economic portions, explaining that "because of the uncertainties caused by changing events," he was not including proposals for grant military aid, foreign military credit sales and security supporting assistance, which in the past had gone to Middle East nations. He also was not making specific requests for assistance to Israel, Jordan, Egypt and Syria, Ford continued, until the administration's comprehensive review of Middle East policy was completed. The results of that review, which had begun in March, had not been announced by the first week in August.

Committee Action

The International Relations Committee reported HR 9005 by voice vote Aug. 1 (H Rept 94-442).

As reported, the bill authorized \$1,354,150,000 for fiscal 1976, \$1,523,850,000 for fiscal 1977 and not more than one-fourth of the fiscal 1976 amount for the budget transition period from July 1-Sept. 30, 1976. The committee's recommendations were \$61.2-million more than the administration's request for fiscal 1976 and \$62.6-million more than the request for fiscal 1977.

Development Assistance

Food and Nutrition. For agricultural, rural development and nutrition programs, the committee recommended authorizations of \$638.8-million for fiscal 1976 and \$760million for fiscal 1977. The fiscal 1976 recommendation was \$10-million below the administration's request, to offset an increase of that amount in the ceiling on Indus Basin loans: the fiscal 1977 amount matched the request.

The committee provided that repayments of development loans could be made available for specific purposes. In the 1973 foreign aid law (PL 93-559), Congress had stipulated that loan repayments be turned over to the U.S. Treasury. HR 9005 earmarked \$200-million of the repayments for a U.S. contribution to a \$1.25-billion International Agricultural Development Fund, proposed at the 1974 Rome World Food Conference to finance agricultural development projects in developing countries.

Population. For population planning and health, the committee recommended an authorization of \$248.1-million for fiscal 1976 and \$280.6-million for fiscal 1977, an increase of \$29-million each year over the administration's request. The committee made the increases, it said, because appropriations for population planning had been "sharply limited" for the past two years. It also stipulated that at least 67 per cent of the funds provided for the programs should be used for population planning activities.

Education. For activities in education, human resource development and public administration, the com-

Approved For Release 2005/06/02: CIA-RDP77M00144R001100180036-5 Foreign Policy/National Security - 14

mittee recommended \$89.2-million for fiscal 1976 and \$101.8-million for fiscal 1977, the amounts requested.

Technical Assistance. The committee recommended \$99.55-million for fiscal 1976 and \$104.55-million for fiscal 1977 for a new category of programs in the fields of technical assistance, energy, research, disaster reconstruction and intermediate technology.

It also permitted the President to waive the required 25 per cent contribution toward the cost of a U.S. aid project, when the recipient nations met the United Nations criteria of "relatively least developed countries." The committee explained these countries rarely can afford the required 25 per cent payment.

Schools, Hospitals. HR 9005 authorized \$25-million each in fiscal 1976 and 1977 for U.S. schools and hospitals abroad, plus an additional \$7-million each year in local currency. It also limited the assistance to no more than four institutions in any one country in any fiscal year. The committee said about 50 per cent of the funds were going to institutions in the Middle East, which it believed was too high a concentration in one region.

Other Authorizations

International Organizations. The committee recommended \$194.5-million in fiscal 1976 and \$219.9million in fiscal 1977 for voluntary contributions to various United Nations programs-principally the U.N. Development Program, Children's Fund (UNICEF), and Relief and Works Agency-and also the Organization of American States (OAS).

Portuguese Colonies. The committee made no new authorizations for grants to Portugal and its former colonies in Africa, but recommended a reallocation of the loans and grants authorized in the 1974 act. It would forgive the repayment of a \$3-million loan to the Cape Verde Islands and permit \$2.75-million remaining in loan funds to be used for grants.

Disaster Relief. The committee recommended an authorization of \$25-million each for fiscal 1976 and 1977 for disaster relief assistance and required quarterly reports to Congress on the use of the funds. The administration had

requested \$20-million each year.

It also authorized the President to appoint a special coordinator for international disaster assistance to coordinate the U.S. response among government agencies, and between the United States and private voluntary agencies, as well as other countries.

Food Aid Policy

The committee recommended a number of policy amendments to PL 480, the Food-for-Peace program. It noted that its jurisdiction was limited to the act's foreign policy and overseas distribution aspects, while the Agriculture Committee retained jurisdiction over domestic issues, and that the two overlapped.

Reflecting the concern of members over political uses of the food program, HR 9005 required that no more than 30 per cent of the food aid sold abroad under Title I of the program should go to countries that were not among the most seriously affected by food shortages. The President could waive the percentage limitation if he certified to Congress that the food assistance was for humanitarian purposes, and if neither house of Congress disapproved the assistance by resolution within 30 calendar days. The committee said the provision was stronger than a comparable 70-30 provision in the 1974 foreign aid act because it had no expiration date, required the allocation, required presidential certification of a waiver and gave Congress veto power.

The bill also provided that a minimum of 1.5-million tons in food commodity grants be distributed in each fiscal year under Title II of the PL 480 program, with a minimum of one million tons to be distributed through nonprofit voluntary agencies and the World Food Program. The minimum was designed, the committee said, to promote the effectiveness of the agencies and permit better planning because there had been uncertainty in the past about quantities they would receive. There is presently no minimum. The new minimums would prevail, the committee continued, unless the "unlikely event" occurred that insufficient commodities were available for Titles I and II of the program, which never had happened.

HR 9005 also required the President, when he submitted the proposed food assistance program to Congress, to include an assessment of global food production, the steps being taken by other donors to increase their food assistance and the relationship of U.S. aid to that provided by other nations. He also was required to submit by Oct. 1 of each year a revised estimate of world food production

and any revisions in the U.S. program.

The bill authorized and encouraged the President to negotiate for an international system of national food reserves to meet famine emergencies, similar to a sense of Congress statement passed by the 93rd Congress. The committee stressed that the provision was not a commitment of support for any particular food reserve system.

Famine Prevention. In another policy section, the committee authorized the creation of a seven-member Board for International Agricultural Development to administer programs aimed at increasing the participation of agricultural schools and land-grant universities in research and programs to increase food production in less-developed countries. Funds would be made available from the authorization for food and nutrition development programs. The long-term funding, the committee explained, would promote the building of agricultural institutions in poorer countries to assist local farmers, and also would support long-range research into methods of increasing food production. The committee set no specific level of funding, but said it expected initial expenditures to be relatively small and to increase rather slowly.

Included in the report was a letter from Agriculture Committee Chairman Thomas S. Foley (D Wash.) in which he pointed out that the food reserve and university program provisions involved matters under his committee's jurisdiction. Foley said he was reserving the right to amend them during floor debate.

Additional Views

In separate views, Michael J. Harrington (D Mass.) said that despite the committee's improvements in the Food for Peace program the bill still failed to limit adequately the political uses of the program. He said that Chile was slated by the administration to receive the largest bulk of food sales to Latin American countries, although it was not on the United Nations list of nations most seriously affected by food shortages. He called the proposed sale the administration's "technique of circumverting" the congressional ceiling of \$25-million on economic assistance to Chile, imposed in the 1974 foreign aid act.

_By Judy Gardner